REMARKS

The amendments to claims 1 and 2 and new claims 5 to 9 are supported in the specification on page 21, line 9 to page 22, line 11.

Editorial revisions were made to claims 3 and 4.

The present claim 1 is directed to a mixed powder for powder metallurgy comprising an alloy steel powder having: an iron-based powder containing Mn of 0.5% by mass or less and Mo of 0.2 to 1.5% by mass as prealloyed elements, wherein the iron-based powder contains Ni in an amount of 0.03% by mass or less; and Mo of 0.05 to 1.0% by mass adhered to the surfaces of said iron-based powder in the form of a powder by diffusion bonding, and a blended powder which is at least one of a Ni powder of 0.2 to 5% by mass and a Cu powder of 0.2 to 3% by mass.

The present claim 2 concerns a mixed powder for powder metallurgy comprising an alloy steel powder and a blended powder which is at least one of a Ni powder of 0.2 to 5% by mass and a Cu powder of 02 to 3% by mass,

wherein said alloy steel powder has an area on the surfaces thereof, which has a Mo concentration of 2.0% or more by mass, in

a range equal to or greater than 1% and equal to or less than 30% of the cross-sectional area thereof,

and wherein the remainder of said alloy steel powder contains Mo with a concentration equal to or greater than 0.2% by mass and less than 2.0% by mass,

and wherein the alloy steel powder contains 0.03% by mass or less of Ni.

Claims 1 to 4 were rejected under 35 USC 103 as being unpatentable over JP 63-137102 for the reasons set forth in item no. 3 on pages 2 to 3 of the Office Action.

It was admitted in the Office Action that JP 63-137102 does not specifically teach Mo powder adhered to the surface of the iron-based powder by diffusion bonding and the at least one of Ni and Cu powder is adhered to the surface of the iron-based powder using a binder.

With respect to applicants' claim 2, it was admitted in the Office Action that JP 63-137102 does not specify the amount of Mo in the surface of the alloy steel powder.

The iron alloy powder of JP 63-137102 always contains prealloyed Ni in an amount of 0.25 to 0.5 wt%. See the claims

and Table I (especially item (11) thereof on page 11 of the English-language translation of JP 63-137102).

In contrast to JP 63-137102, the iron-based powder or alloy steel powder of applicants' present claims 1 to 9 do not contain such amounts of prealloyed Ni. Therefore, it is respectfully submitted that applicants' present claims are not obvious over JP 63-137102.

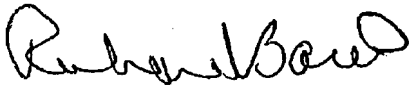
Regarding the last two lines on page 2 of the Office Action, the Examiner notes that the addition of 1 to 4% by weight of Ni powder to the iron-based powder is disclosed in JP 63-137102, citing Example 2 and Table II. However, Example 2 of JP 63-137102 concludes that it is impossible to achieve the desired result by mixing Ni powder (see page 14, lines 3 to 4 of the English-language translation of JP 63-137102). Therefore, JP 63-137102 clearly teaches away from mixing Ni powder and does not raise any basis for the obviousness rejection.

Withdrawal of the 35 USC 103 rejection is thus respectfully requested.

Reconsideration is requested. Allowance is solicited.

If the Examiner has any comments, questions, objections or recommendations, the Examiner is invited to telephone the undersigned at the telephone number given below for prompt action.

Respectfully submitted,



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